

ABSTRACT

SYSTEM AND METHOD FOR PROVIDING A CREDIT ACCOUNT FOR DEBT RECOVERY

The invention includes systems and methods for providing a credit account for debt recovery. A recovery credit account is provided for a customer with an existing charged-off debt. Some of the customer's charged-off debt may be forgiven as part of a settlement when the customer enrolls in the recovery credit account, but the opening balance of the recovery credit account will represent the entire debt obligation of the customer going forward. The recovery credit account includes a credit limit that is lower than the opening balance. Reducing the account balance to less than the credit limit triggers open-to-buy status, issuance of a credit card, and activation of over the limit fees for future balances over the credit limit.